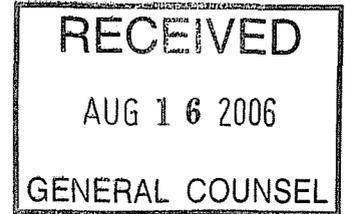


COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION



In the Matter of:

ADJUSTMENT OF RATES OF SOUTH)
KENTUCKY RURAL ELECTRIC)
COOPERATIVE CORPORATION)

RECEIVED
AUG 16 2006
CASE NO. 2005-00450
PUBLIC SERVICE
COMMISSION

STIPULATION OF APPLICANT

Pursuant to agreement with Commission Staff, South Kentucky Rural Electric Cooperative Corporation hereby stipulates that it will develop and adopt an equity management plan and file it with the Commission within six (6) months from and after the Commission's final order in the above cause.

Dated: this 15th day of August, 2006.

DARRELL L. SAUNDERS, P.S.C.
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ATTORNEY FOR SOUTH KENTUCKY RURAL
ELECTRIC COOPERATIVE CORPORATION

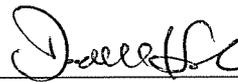
CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing was this 15th day of August, 2006 deposited in the regular United States mail, all postage prepaid and addressed for delivery to the following:

1. Ms. Anita Mitchell, Public Service Commission, 211 Sower Blvd., P.O. Box 615, Frankfort, KY 40602-0615.

2. Ms. Elizabeth E. Blackford, Assistant Attorney General, Office of the Attorney General, Utility and Rate Intervention Division, 1024 Capital Center Drive, Suite 200, Frankfort, KY 40601-8204.

Original to: Public Service Commission, 211 Sower Blvd., P.O. Box 615, Frankfort, KY 40602-0615.



ATTORNEY FOR SOUTH KENTUCKY RURAL
ELECTRIC COOPERATIVE CORPORATION